

Adopt regulation 18531.61 to read:

§18531.61. Treatment of Debts Outstanding After an Election – Contributions Accepted on or After January 24, 2004.

(a) As of January 24, 2004, a contribution for an election, regardless of when held, may be accepted by a candidate for elective state office after the date of the election only to the extent that the contribution does not exceed net debts outstanding from the election. For purposes of section 85316, “the applicable contribution limit for that election” means the contribution limits, if any, as provided in Government Code sections 85301 and 85302 applicable on the date of the election.

(b) Transfers to a committee formed for an election held on or after January 1, 2001, or November 6, 2002, for statewide elective office, are subject to the requirements of 2 Cal. Code Regs. section 18536.

(c) A candidate for elective state office subject to subdivision (a) of this regulation may use contributions accepted pursuant to Government Code sections 85316 and 85321 only for payment of net debts outstanding for an election.

(d) For purposes of this section, “net debts outstanding” includes the following:

(1) An amount necessary to cover the cost of raising funds as permitted under this section;

(2) Any costs associated with complying with the post-election requirements of this Title and other necessary administrative costs associated with winding down the campaign, including office space rental, staff salaries, and office supplies; and

(3) The total amount of unpaid debts, loans and accrued expenditures incurred with respect to an election, less the sum of:

(A) The total cash on hand available to pay those debts and obligations,

1 including: currency; balances on deposit in banks, savings and loan institutions, and other
2 depository institutions; traveler's checks; certificates of deposit; treasury bills; and any other
3 committee investments valued at fair market value; and

4 (B) The total amounts owed to the candidate controlled committee in the
5 form of credits, refunds of deposits, returns, or receivables, or a commercially reasonable amount
6 based on the collectibility of those credits, refunds, returns, or receivables.

7 The amount of the net debts outstanding shall be reduced as additional funds are
8 received. The candidate and his or her controlled committee(s) may accept contributions made
9 after the date of an election, if such contributions do not exceed the amount of net debts
10 outstanding on the date the contribution is received. Any contribution that exceeds the amount
11 of net debts outstanding shall be treated in the same manner as a contribution in excess of the
12 contribution limits.

13 NOTE: Authority cited: Section 83112, Government Code.
14 Reference: Section 83 of Proposition 34; and Sections 85201, 85301, 85302, 85306, 85316,
15 85317, 85318 and 85321, Government Code.